

Revised: 10/2005

TO: DEBTORS IN POSSESSION, TRUSTEES AND THEIR COUNSEL  
FROM: THE UNITED STATES TRUSTEE  
SUBJECT: CHAPTER 11 OPERATING INSTRUCTIONS AND REPORTING REQUIREMENTS

The United States Code, title 28, Section 581(a)(11) provides for the appointment of a United States Trustee for the Northern District of Illinois and the State of Wisconsin. 28 U.S.C. §586(a)(3) provides that the United States Trustee shall supervise the administration of Chapter 11 cases within the districts. Sections 1106 and 1107 of Title 11 of the United States Code (hereinafter "the Bankruptcy Code") require the Trustee or Debtor In Possession (hereinafter "DIP") to furnish such information regarding the case as the United States Trustee requires. Hereinafter the term "DIP" also shall refer to trustees appointed in Chapter 11 cases.

The following requirements of the United States Trustee are applicable for all DIPs in a Chapter 11 case under the Bankruptcy Code. **FAILURE TO COMPLY WITH THESE REQUIREMENTS WILL RESULT IN A MOTION OR APPLICATION TO THE BANKRUPTCY COURT FOR APPROPRIATE RELIEF, INCLUDING DISMISSAL OF THE CASE, CONVERSION TO ANOTHER CHAPTER OF THE BANKRUPTCY CODE, APPOINTMENT OF A CHAPTER 11 TRUSTEE OR EXAMINER, OBJECTION TO ATTORNEY'S FEE, OBJECTION TO DISCHARGE AND/OR ASSESSMENT OF COSTS, FEES, PENALTIES, OR DAMAGES AGAINST INDIVIDUALS OR OTHER ENTITIES FOR SUCH NONCOMPLIANCE.**

1. **OIRR RECEIPT AND VERIFICATION.** In order to ensure appropriate compliance with

the Operating Instructions and Reporting Requirements (hereafter referred to as "OIRR") it is imperative that counsel carefully review these requirements with the DIP immediately upon receipt. The DIP and counsel shall acknowledge receipt of the OIRR and furnish to the United States Trustee verification that they have read, understand and agree to perform in accordance with the requirements by executing the enclosed verification and **returning it within five (5) business days** [See Attached EXHIBIT "A"]. This receipt needs to be completed only once.

**2. BANK ACCOUNTS, BOOKS, AND RECORDS.** Immediately upon the filing of the Chapter 11 case, the DIP is required to close previous bank accounts and open one or more accounts designated as Debtor In Possession accounts. "Debtor In Possession" shall be imprinted on the face of all checks issued by the DIP. All disbursements made by a DIP must be made by check or draft drawn on the DIP's account. Under 11 U.S.C. §541(a)(6) earnings from services performed by an *individual* debtor after the commencement of the case are *not* property of the estate. Accordingly, such earnings should *not* be deposited in any DIP account. Note, however, that as of October 17, 2005, the effective date of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, PL 109-8, April 20, 2005, 119 Stat 23, 11 U.S.C. § 1115(a)(2) provides that earnings from services performed by the debtor after the commencement of the case but before the case is closed, dismissed or converted to a case under chapter 7, 12, or 13, whichever occurs first, are property of the estate. Accordingly, for cases commenced on or after October 17, 2005, post-petition earnings from services performed by an *individual* debtor should be deposited in the DIP account. Note also that unless court approval is obtained, post-petition earnings should not be used to pay any claims against the estate.

All DIP funds and bank accounts must be collateralized in accordance with the provisions of 11 U.S.C. §345. Debtors shall notify the United States Trustee when debtor in possession funds at a banking institution exceed the insured limitation of \$100,000.00 per customer.

Pre-petition books and records of the debtor should be closed as of the date of the filing of the petition. Thereafter new books and records should be kept for the DIP.

**3. TAX DEPOSITS.** The DIP shall set aside all monies required to be withheld from employees or collected from others for taxes under any law of the United States or any other governmental unit during the pendency of the proceeding [see Fed. R. Bankr. P. 2015(a)(3)]. The DIP shall pay all federal taxes due to the Internal Revenue Service through a bank or other authorized financial institution, as prescribed by Circular E, Employer's Tax Guide. The payment of taxes shall be made with an accompanying IRS Form 6123, "Verification of Fiduciary Federal Tax Deposit," a copy of which shall be transmitted to the United States Trustee for each payroll period [see OPERATING REPORT, Page 7] as an attachment to the monthly report.

**4. PROOF OF INSURANCE COVERAGE.** All DIPs must maintain adequate insurance and make all post-petition premium payments when due. **Within five (5) business days of the filing of the petition, the DIP must furnish to the Office of the United States Trustee a certificate of insurance for each policy.** Such insurance shall include worker's compensation, general liability, fire, theft, and motor vehicle insurance, together with all other insurance coverage normally and customarily used in the business. The standard cancellation notice on each policy must be amended to read as follows: "Should any of the insurance policies be canceled before the expiration date thereof, the issuing company will mail ten days prior written notice to the certificate holder and the United States Trustee, 227 West Monroe Street, Suite 3350, Chicago, Illinois 60606-5016. Note that as of October 17, 2005, the effective date of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, §1112(b)(4)(C) provides that failure to maintain appropriate insurance that poses a risk to the estate or to the public is cause for dismissal or conversion of the case to chapter 7.

**5. INVENTORY.** If the Bankruptcy Court so directs, the DIP shall conduct a physical inventory of all its real and personal property as of the filing of the petition. The DIP must file the complete inventory with the Bankruptcy Court and transmit a copy to the United States Trustee within 30 days [see Fed. R. Bankr. P. 2015(a)(1)].

**6. USE OF ESTATE PROPERTY.** Section 363 of the Code permits the DIP to use estate property in the ordinary course of business. Estate property may *not* be used to pay professional fees, including those of attorneys and accountants or *pre-petition* debts, including claims of secured creditors and landlords, except pursuant to order of Court. Further, to the extent that a secured creditor has a lien on cash or its equivalent in the DIP's possession, the DIP may not use such cash except with the secured creditor's consent or pursuant to order of the Court. Failure to abide by these requirements may result in the United States Trustee's requesting the Court to terminate your status as DIP and place estate property in the hands of a Court approved trustee.

**7. MONTHLY OPERATING REPORTS - *SEE ATTACHED EXHIBIT "B" OR, FOR SMALL BUSINESS CASES, EXHIBIT "G"*.** For financial reporting purposes, a Chapter 11 DIP is a different entity from that which existed prior to the commencement of the bankruptcy. The financial report ("report") required by the United States Trustee to be submitted by all Chapter 11 DIPs is designed to reflect changes in the financial position of a DIP during the pendency of a Chapter 11 case. Each report is a sworn statement by the respective DIP and must be as accurate as possible. If your case is being jointly administered with another case or has been consolidated for administrative purposes with another case, you must remit a separate Report for each case.

The initial report submitted by a DIP in its Chapter 11 case should cover the period from the date of the commencement of the bankruptcy case to the end of the month in which the case was commenced; provided, however, that if fewer than 10 days remain in the calendar month in which the case was commenced, the initial report should cover the remaining portion of the month in which the case is commenced and the next reporting period. **Disbursements for the partial portion of the month, if at the end of the Quarter, shall be broken out separately, and fees shall be calculated and payable based on actual disbursements for that partial period.** The opening balance for inventory, cash and receivables in the initial report should reflect the DIP's financial condition as of the date the case

commenced. Liabilities of the DIP should always start at zero, since the DIP is a "new" reporting entity. Pre-petition liabilities should not be included in the DIP reports.

The monthly report must be dated and signed by the DIP or its responsible person. Original reports, with original signatures, shall be transmitted to the United States Trustee at 227 West Monroe Street, Suite 3350, Chicago, IL 60606. Additional copies of each report shall be filed with the United States Bankruptcy Court, 219 South Dearborn Street, Suite 710, Chicago, Illinois 60604 and served upon the Territory Manager, Insolvency Territory 7, Internal Revenue Service, Mail Stop 5010 CHI, 230 S. Dearborn Street, Chicago, IL 60604; and the designated representative or chairperson of a duly appointed creditors' committee, if any. Note that the United States Bankruptcy Court for the Northern District of Illinois has promulgated Administrative Procedures For The Case Management/Electronic Case Filing System. In order to comply with those procedures, all operating reports filed with the Court must contain the report preparer's scanned original signature as an attachment to the report. *See* II, C, 1, b of the Administrative Procedures. **Monthly operating reports shall be submitted not later than the 15th of each month. Incomplete reports shall be deemed not submitted.** Monthly operating reports are not required for periods after the case is confirmed, converted or dismissed, however, Quarterly Fee Statements and plan payment status reports will need to be filed until the case is closed. (Exhibits D and E).

**8. MODIFICATION OF REQUIREMENTS.** In the event a DIP believes the reporting requirements to be inappropriate in whole or in part due to the circumstances of the particular case, the DIP may submit a written request to the United States Trustee for a modification of the reporting requirements setting forth the reasons the DIP believes the requirements to be inappropriate. Such requests will be reviewed by the United States Trustee and responded to in writing. Until a DIP receives a written authorization to modify the reporting requirements, the DIP is required to continue to submit complete and timely reports.

**9. UNITED STATES TRUSTEE SYSTEM FUND/QUARTERLY FEES.** On October 26,

1986, the President signed into law the Bankruptcy Judges, United States Trustees and Family Farmer Bankruptcy Act of 1986, Pub. L. No. 99-554. Section 117 of the Act imposes a fee on all Chapter 11 debtors to be paid each calendar quarter. As amended by Pub. L. No. 104-208, effective January 27, 1996, the fee is due every calendar quarter starting with the quarter in which your case is commenced and continues subsequent to confirmation until and including the quarter in which your case is converted, dismissed or closed. The quarterly fee amount is based on the disbursements made during that particular quarter. In addition, you are subject to payment of a quarterly fee for any quarter during which you were a Chapter 11 debtor, even if it is only for one day of the quarter. **Quarterly fees are not prorated.** Moreover, a minimum fee of \$250.00 is due each quarter even if no disbursements are made. The due date for payment is 30 days after the quarter ends. Thus, the fees for the quarter of January, February, and March are due April 30th. The fees for the quarter of April, May and June are due July 31st. The fees for the quarter of July, August, and September are due October 31st and the fees for the quarter of October, November, and December are due January 31st.

**If your case is being jointly administered with another case or has been consolidated for administrative purposes with another case, you must remit a separate fee for each case. The fee schedule is set forth below.**

#### **FEE SCHEDULE**

<u>Total Quarterly Disbursements</u>	<u>Quarterly Fee</u>
Under \$15,000.00	\$ 250.00
\$ 15,000.00 to \$ 74,999.99	\$ 500.00
\$ 75,000.00 to \$ 149,999.99	\$ 750.00
\$ 150,000.00 to \$ 224,999.99	\$ 1,250.00
\$ 225,000.00 to \$ 299,999.99	\$ 1,500.00
\$ 300,000.00 to \$ 999,999.99	\$ 3,750.00
\$1,000,000.00 to \$1,999,999.99	\$ 5,000.00

\$2,000,000.00 to \$2,999,999.99	\$ 7,500.00
\$3,000,000.00 to \$4,999,999.99	\$ 8,000.00
\$5,000,000.00 and over	\$10,000.00

*During the Pendency of your Chapter 11 case, quarterly fees should be paid to the order of "U.S. Trustee" and mailed to U.S. Trustee Payment Center, P.O. Box 198246, Atlanta, Georgia 30384-8246. Failure to remit timely payments may result in your being served with a "Notice Of Unpaid Fees And Impending Collection Actions." [See Attached Exhibit "C"].*

Fed. R. Bankr. P. 2015(a)(5) requires that a DIP file with the Bankruptcy Court and transmit to the United States Trustee a statement of disbursements made during a calendar quarter, the amount of quarterly fees owed and the amount of fees paid to the United States Trustee. The U.S. Trustee Quarterly Fee Statement [See Attached EXHIBIT "D"] must be filed with the Bankruptcy Court and transmitted to the United States Trustee on or before the last day of the month after the end of each calendar quarter. *Even if a plan has been confirmed, this report must be timely submitted by all Chapter 11 debtors until the case has been converted or dismissed.*

If you seek to voluntarily dismiss your case, you must tender a copy of the check representing payment of the quarterly fee together with a completed Form D to the United States Trustee's representative attending the hearing on dismissal. Failure to tender the quarterly fee may result in the United States Trustee's opposing dismissal of the case and requesting its conversion to a Chapter 7 liquidation.

**Failure to pay the quarterly fee is cause for the involuntary conversion or dismissal of your case.** 11 U.S.C. §1112(b)(10). All fees must have been paid, or the plan must provide for the payment of the fees on its effective date for a Plan of Reorganization to be confirmed by the Court. 11 U.S.C. §1129(a)(12). **Failure to pay quarterly fees by the effective date will be considered grounds for the revocation of confirmation under 11 U.S.C. §1144.**

Finally, please take notice that a Chapter 11 debtor's failure to pay quarterly fees to the United States Trustee pursuant to 28 U.S.C. §1930 has additional significant legal consequences. Please be advised that, pursuant to the Debt Collection Improvements Act of 1996, Public Law 104-134, Title III, § 31001(i)(3)(A), 110 Stat. 1321-365, codified at 31 U.S.C. § 3701, the United States Trustee intends to use the debtor's Taxpayer Identifying Number ("TIN") as reported by the debtor or debtor's counsel in connection with the chapter 11 bankruptcy proceedings for the purpose of collecting and reporting on any delinquent debt, including chapter 11 quarterly fees, that are owed to the United States Trustee.

The United States Trustee will provide the debtor's TIN to the Department of Treasury for its use in attempting to collect overdue debts. Treasury may take the following steps: (1) submit the debt to the Internal Revenue Service Offset Program so that the amount owed may be deducted from any payment made by the federal government to the debtor, including but not limited to tax refunds; (2) report the delinquency to credit reporting agencies, (3) send collection notices to the debtor, (4) engage private collection agencies to collect the debt, and (5) engage the United States Attorney's office to sue for collection. Collection costs will be added to the total amount of the debt.

**10. POST-CONFIRMATION QUARTERLY REPORTS.** Although monthly operating reports are not required for periods after confirmation, the Debtor or other plan proponent is required to submit and file quarterly reports on the status of plan payments [*See Attached EXHIBIT "E"*]. Like the Quarterly Fee Statement, these reports are due thirty (30) days after the calendar quarter ends. So, for example, if the case confirms on June 20th, the final operating report covers the period from May 1st to June 20th. The first report on the status of plan payments will be due on July 31st and should cover the period from June 21st through June 30<sup>th</sup>.

**11. U.S. TRUSTEE STAFF CONTACT WITH DIPS.** Regulations promulgated by the Attorney General restrict direct communication between employees of the Office of the United States Trustee and the represented debtor without the permission of debtor's counsel. Most communication occurring



between Program employees and debtors is administrative in nature relating to the United States Trustee's statutory duty to supervise the administration of bankruptcy cases. In order to comply with these regulations, we request that you sign an authorization which will allow us to communicate directly with the debtor regarding administrative and financial matters such as insurance coverage, bank account information, monthly operating reports, quarterly fees and post-confirmation reports. This authorization is attached as Exhibit F. If you agree to the provisions stated above, please sign a copy the authorization where indicated and return it to us. The authorization may be rescinded at anytime by giving us written notice of recision. If you do not agree, all communication with the debtor will be directed to you. If the debtor initiates any contact with us, we will advise him or her that we may communicate only with you. If the United States Trustee files or has a contested motion or an adversary proceeding against the debtor, all contact regarding that matter will be with counsel.

Questions regarding these instructions and reporting requirements should be referred to the staff attorney assigned to your case. The Office of the United States Trustee reserves the right to require additional information as may be necessary to the administration of the case.

IRA BODENSTEIN  
UNITED STATES TRUSTEE  
227 West Monroe Street  
Suite 3350  
Chicago, Illinois 60606

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

RECEIPT AND VERIFICATION

TO: IRA BODENSTEIN, UNITED STATES TRUSTEE

CASE NAME: \_\_\_\_\_

CASE NO.: \_\_\_\_\_

I, \_\_\_\_\_ DECLARE UNDER PENALTY OF PERJURY THAT  
I AM THE DULY AUTHORIZED REPRESENTATIVE OF THE DEBTOR IN POSSESSION  
DESIGNATED TO OPERATE THE BUSINESS OF \_\_\_\_\_, AND AS SUCH I  
HEREBY ACKNOWLEDGE RECEIPT FROM THE UNITED STATES TRUSTEE OF THE  
OPERATING INSTRUCTIONS AND REPORTING REQUIREMENTS. I HAVE READ AND  
UNDERSTAND THE INSTRUCTIONS AND AGREE TO COMPLY WITH THEM.

SIGNED: \_\_\_\_\_

DATED: \_\_\_\_\_

I, \_\_\_\_\_, COUNSEL FOR THE DEBTOR IN POSSESSION,  
HAVE REVIEWED AND DISCUSSED THE OPERATING INSTRUCTIONS AND REPORTING  
REQUIREMENTS WITH THE SIGNATORY ABOVE.

SIGNED: \_\_\_\_\_

DATED: \_\_\_\_\_

EXHIBIT "A"

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

CASE NAME: \_\_\_\_\_

CASE NO. \_\_\_\_\_

SUMMARY OF CASH RECEIPTS AND CASH DISBURSEMENTS

For Month Ending \_\_\_\_\_, 20\_\_\_\_

BEGINNING BALANCE IN ALL ACCOUNTS \$ \_\_\_\_\_

RECEIPTS:

- 1. Receipts from operations \$ \_\_\_\_\_
- 2. Other Receipts \$ \_\_\_\_\_

DISBURSEMENTS:

- 3. Net payroll:
  - a. Officers \$ \_\_\_\_\_
  - b. Others \$ \_\_\_\_\_

- 4. Taxes
  - a. Federal Income Taxes \$ \_\_\_\_\_
  - b. FICA withholdings \$ \_\_\_\_\_
  - c. Employee's withholdings \$ \_\_\_\_\_
  - d. Employer's FICA \$ \_\_\_\_\_
  - e. Federal Unemployment Taxes \$ \_\_\_\_\_
  - f. State Income Tax \$ \_\_\_\_\_
  - g. State Employee withholdings \$ \_\_\_\_\_
  - h. All other state taxes \$ \_\_\_\_\_

- 5. Necessary expenses:
  - a. Rent or mortgage payments(s) \$ \_\_\_\_\_
  - b. Utilities \$ \_\_\_\_\_
  - c. Insurance \$ \_\_\_\_\_
  - d. Merchandise bought for  
manufacture or sale \$ \_\_\_\_\_
  - e. Other necessary expenses  
(specify) \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

TOTAL DISBURSEMENTS \$ \_\_\_\_\_

NET RECEIPTS (DISBURSEMENTS) FOR THE CURRENT PERIOD \$ \_\_\_\_\_

ENDING BALANCE IN \_\_\_\_\_ \$ \_\_\_\_\_  
(Name of Bank)

ENDING BALANCE IN \_\_\_\_\_ \$ \_\_\_\_\_  
(Name of Bank)

ENDING BALANCE IN ALL ACCOUNTS \$ \_\_\_\_\_

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EXHIBIT "B"  
IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS

EASTERN DIVISION

CASE NAME: \_\_\_\_\_ CASE NO.: \_\_\_\_\_

RECEIPTS LISTING

FOR MONTH ENDING \_\_\_\_\_, 20\_\_\_\_

Bank: \_\_\_\_\_

Location: \_\_\_\_\_

Account Name: \_\_\_\_\_

Account No.: \_\_\_\_\_

DATE RECEIVED

DESCRIPTION

AMOUNT

TOTAL: \_\_\_\_\_

Receipts may be identified by major categories. It is not necessary to list each transaction separately by name of customer or invoice number. You must, however, create a separate list for each bank account to which receipts were deposited during the month.

CASE NAME: \_\_\_\_\_ CASE NO.: \_\_\_\_\_

DISBURSEMENT LISTING

FOR MONTH ENDING \_\_\_\_\_, 20\_\_\_\_

Bank: \_\_\_\_\_

Location: \_\_\_\_\_

Account Name: \_\_\_\_\_

Account No.: \_\_\_\_\_

<u>DATE DISBURSED</u>	<u>CHECK NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
-----------------------	------------------	--------------------	---------------

TOTAL: \_\_\_\_\_

You must create a separate list for each bank account from which disbursements were made during the month.

CASE NAME: \_\_\_\_\_ CASE NO.: \_\_\_\_\_

FOR MONTH ENDING \_\_\_\_\_, 20\_\_

STATEMENT OF INVENTORY

Beginning inventory	\$ _____
Add: purchases	\$ _____
Less: goods sold (cost basis)	\$ _____
Ending inventory	\$ _____

PAYROLL INFORMATION STATEMENT

Gross payroll for this period	\$ _____
Payroll taxes due but unpaid	\$ _____

STATUS OF PAYMENTS TO SECURED CREDITORS AND LESSORS

<u>Name of Creditor/ Lessor</u>	<u>Date regular payment is due</u>	<u>Amount of Regular Payment</u>	<u>Number of Payments Delinquent*</u>	<u>Amount of Payments Delinquent*</u>
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\* Include only post-petition payments.

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

CASE NAME: \_\_\_\_\_ CASE NO.: \_\_\_\_\_

FOR MONTH ENDING \_\_\_\_\_, 20\_\_

STATEMENT OF AGED RECEIVABLES

ACCOUNTS RECEIVABLE:

Beginning of month balance \$ \_\_\_\_\_

Add: sales on account \$ \_\_\_\_\_

Less: collections \$ \_\_\_\_\_

End of month balance \$ \_\_\_\_\_

<u>0-30</u> <u>Days</u>	<u>31-60</u> <u>Days</u>	<u>61-90</u> <u>Days</u>	<u>Over 90</u> <u>Days</u>	<u>End of Month</u> <u>TOTAL</u>
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

STATEMENT OF ACCOUNTS PAYABLE (POST-PETITION)

Beginning of month balance \$ \_\_\_\_\_

Add: credit extended \$ \_\_\_\_\_

Less: payments of account \$ \_\_\_\_\_

End of month balance \$ \_\_\_\_\_

<u>0-30</u> <u>Days</u>	<u>31-60</u> <u>Days</u>	<u>61-90</u> <u>Days</u>	<u>Over 90</u> <u>Days</u>	<u>End of Month</u> <u>TOTAL</u>
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

ITEMIZE ALL POST-PETITION PAYABLES OVER 30 DAYS OLD ON A SEPARATE SCHEDULE  
AND FILE WITH THIS REPORT

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

CASE NAME: \_\_\_\_\_ CASE NO.: \_\_\_\_\_

FOR MONTH ENDING \_\_\_\_\_, 20\_\_

TAX QUESTIONNAIRE

Debtors in possession and trustees are required to pay all taxes incurred after the filing of their Chapter 11 petition on an as due basis. Please indicate whether the following post petition taxes or withholdings have been paid currently.

- |    |                             |         |        |
|----|-----------------------------|---------|--------|
| 1. | Federal Income Taxes        | Yes ( ) | No ( ) |
| 2. | FICA withholdings           | Yes ( ) | No ( ) |
| 3. | Employee's withholdings     | Yes ( ) | No ( ) |
| 4. | Employer's FICA             | Yes ( ) | No ( ) |
| 5. | Federal Unemployment Taxes  | Yes ( ) | No ( ) |
| 6. | State Income Tax            | Yes ( ) | No ( ) |
| 7. | State Employee withholdings | Yes ( ) | No ( ) |
| 8. | All other state taxes       | Yes ( ) | No ( ) |

If any of the above have not been paid, state below the tax not paid, the amounts past due and the date of last payment.

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<b>Form 6123</b> (Rev. 06-97)	Department of the Treasury-Internal Revenue Service <b>Verification of Fiduciary's Federal Tax Deposit</b>
<b>TO</b>	District Director, Internal revenue Service Attn: Chief, Special Procedures Function
<b>FROM:</b>	Name of Taxpayer



Taxpayer Address

The following information is to notify you of Federal tax deposit(s)(FTD) as required by the United States Bankruptcy Court (complete sections 1 and/or 2 as appropriate):

**Section 1**

Taxes Reported on  
Form 941, Employer's  
Quarterly Federal Tax  
Return

**Form 941 Federal Tax Deposit (FTD) Information**

for the payroll period from \_\_\_\_\_ to \_\_\_\_\_

Payroll date \_\_\_\_\_

Gross wages paid to employees \$ \_\_\_\_\_

Income tax withheld \$ \_\_\_\_\_

Social Security (Employer's plus Employee's  
share of Social Security Tax) \$ \_\_\_\_\_

Tax Deposited \$ \_\_\_\_\_

Date Deposited \_\_\_\_\_

**Section 2**

Taxes Reported on  
Form 940, Employer's  
Annual Federal  
Unemployment Tax Return

**Form 940 Federal Tax Deposit (FTD) Information**

for the payroll period from \_\_\_\_\_ to \_\_\_\_\_

Gross wages paid to employees \$ \_\_\_\_\_

Tax Deposited \$ \_\_\_\_\_

Date Deposited \_\_\_\_\_

**Certification**

**(Certification is limited to receipt or electronic transmittal of deposit only)**

This certifies receipt or electronic transmittal of deposits described below for Federal taxes as defined in Circular E, Employer's Tax Guide (Publication 15)

Deposit Method  
(check box)

☐ Form 8109/8109B Federal Tax Deposit (FTD) coupon

☐ Electronic Federal Tax Payment System (EFTPS) Deposit

Amount (Form 941 Taxes)

Date of Deposit

EFTPS acknowledgment number or Form 8109 FTD received by:

Amount (Form 940 Taxes)

Date of Deposit

EFTPS acknowledgment number or Form 8109 FTD received by:

Depositor's Employer  
Identification Number:

Name and Address of Bank

Under penalties of perjury, I certify that the above federal tax deposit information is true and correct

Signed:

Date:

Name and Title  
(print or type)

Cat. #43099Z

Form **6123** (rev. 06-97)

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

**DECLARATION UNDER PENALTY OF PERJURY**

I, \_\_\_\_\_, acting as the duly authorized agent for the Debtor in Possession (Trustee) declare under penalty of perjury under the laws of the United States that I have read and I certify that the figures, statements, disbursement itemizations, and account balances as listed in this Monthly Report of the Debtor are true and correct as of the date of this report to the best of my knowledge, information and belief.

\_\_\_\_\_  
For the Debtor In Possession (Trustee)

Print or type name and capacity of  
person signing this Declaration:

\_\_\_\_\_  
\_\_\_\_\_

DATED: \_\_\_\_\_

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

CASE NAME: \_\_\_\_\_

CASE NO.: \_\_\_\_\_

Office of the U.S. Trustee  
227 W. Monroe Street; Suite 3350  
Chicago, IL 60606

Debtor:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Notice Date: \_\_\_\_\_

Account Number: \_\_\_\_\_

Amount Due: \_\_\_\_\_

## **NOTICE OF UNPAID FEES AND IMPENDING COLLECTION ACTIONS**

According to the accounts receivable records, you owe the above amount to the United States Trustee in unpaid quarterly fee charges. If you do not pay this debt or take other action described below before \_\_\_\_\_, the United States Trustee will submit your debt to the U.S. Department of Treasury for further collection. Interest, penalties, and other charges for costs may be added to the amount you owe. Payment must be sent to the above address.

Once your debt is sent to the Department of Treasury, Treasury will take all authorized collection actions, including reporting the debt to credit reporting agencies and engaging private collection agencies as necessary. The debt will also be submitted to the Treasury Offset Program which means the debt will be deducted from eligible payments that are owed to you by the federal government, including but not limited to tax refunds. The Treasury Offset Program is authorized by the Debt Collection Act of 1982 and the Debt Collection Improvement Act of 1996. You may not receive another notice before your payment is offset.

Before we submit your debt to the Treasury Offset Program, we are required to tell you the following: (1) you may inspect and copy our records related to your debt; (2) you may request a review of our determination that you owe this debt; and (3) you may enter into a written repayment agreement if it is acceptable to the United States Trustee. If you are interested in these options, please send a written request to the above address.

If you make or provide any knowingly false or frivolous statements, representations, or evidence, you may be liable for penalties under the False Claims Act (31 U.S.C. §§ 286, 287, 1001, and 1002), or other applicable statutes.

If you have any questions about this letter or your rights, you should immediately contact your local field office at the above address.

EXHIBIT "C"

U. S. TRUSTEE QUARTERLY FEE STATEMENT  
Pursuant to Fed. R. Bankr. P. 2015(a)(5)

CASE NAME: \_\_\_\_\_ CASE NO.: \_\_\_\_\_

FOR CALENDAR QUARTER ENDING \_\_\_\_\_, 20\_\_

	DISBURSEMENTS*	
1. MONTH		DISBURSEMENTS
_____		\$ _____
_____		\$ _____
_____		\$ _____
TOTAL DISBURSEMENTS FOR QUARTER		\$ _____
2. QUARTERLY FEE OWED PURSUANT TO 28 U.S.C. §1930(A)(6)		\$ _____
3. QUARTERLY FEE PAID (Attach proof of payment)		\$ _____
4. AMOUNT OF UNPAID FEES (IF ANY)		\$ _____

I, \_\_\_\_\_ acting as the duly authorized agent for the Debtor In Possession (Trustee) (Plan Administrator) declare under penalty of perjury under the laws of the United States that I have read and certify that the figures, statements, disbursement itemizations, and account balances as listed in this U.S. Trustee Quarterly Fee Statement are true and correct as of the date of this report to the best of my knowledge, information and belief.

DATED: \_\_\_\_\_

\_\_\_\_\_  
For the Debtor In Possession (Trustee) (Plan Administrator)

(Print or type name and  
capacity of person signing  
this Declaration).

\_\_\_\_\_  
\_\_\_\_\_

\* For periods subsequent to plan confirmation, this includes payments pursuant to the confirmed plan as well as all other disbursements.

EXHIBIT "D"

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

CASE NAME: \_\_\_\_\_ CASE NO.: \_\_\_\_\_

U. S. TRUSTEE QUARTERLY REPORT ON STATUS OF PLAN PAYMENTS

FOR CALENDAR QUARTER ENDING \_\_\_\_\_, 20\_\_

1. Were any payments required to be made  
under the plan this past calendar quarter?    yes\_\_\_\_\_    no\_\_\_\_\_
2. If yes, were all required payments made?    yes\_\_\_\_\_    no\_\_\_\_\_
3. If not, on a separate schedule, state the name, address and telephone number of each unpaid  
creditor, the amount due and the reason payment was not made.

I, \_\_\_\_\_ acting as the duly authorized agent  
under the confirmed plan declare under penalty of perjury under the laws of the United States that I have  
read and certify that the information listed in this U.S. Trustee Quarterly Report on Status of Plan Payments  
is true and correct as of the date of this report to the best of my knowledge, information and belief.

DATED: \_\_\_\_\_  
For the Debtor In Possession (Trustee) (Plan Administrator)

(Print or type name and  
capacity of person signing  
this Declaration). \_\_\_\_\_  
\_\_\_\_\_

EXHIBIT "E"

**OFFICE OF THE UNITED STATES TRUSTEE  
NORTHERN DISTRICT OF ILLINOIS**

**Direction of Attorney for the Debtor  
Concerning Contacts with Client Regarding Administrative Matters**

In re: \_\_\_\_\_

Case Number: \_\_\_\_\_

**Part I : Purpose**

The United States Trustee is responsible for supervising the administration of cases under chapters 7, 11, 12, and 13 of the United States Bankruptcy Code. 28 U.S.C. §586. To fulfill this responsibility, the U.S. Trustee has issued Guidelines for Debtors-in-Possession. The Guidelines impose certain administrative and reporting responsibilities on chapter 11 debtors-in-possession. In addition, there are other requirements imposed by law, including a requirement to pay U.S. Trustee quarterly fees. The U.S. Trustee's staff is available to assist debtors-in-possession in fulfilling these requirements. In addition, it is frequently necessary for members of the U.S. Trustee's staff to contact debtors concerning missing documents, incomplete forms, and other administrative matters. Many debtors-in-possession and attorneys prefer that these administrative matters be handled directly between the debtor and the U.S. Trustee's staff. Others prefer that all such contacts be made through counsel. We need to know how you and your client would like these matters to be handled.

**Part II: Direction**

\_\_\_\_\_ We direct that all contacts between the U.S. Trustee's staff concerning the administrative requirements of the U.S. Trustee, including completion of operating reports, insurance, banking arrangements, payment and calculation of quarterly fees, may be made directly between the U.S. Trustee and the debtor-in-possession.

\_\_\_\_\_ We direct that all contacts between the U.S. Trustee's staff concerning this case, including all administrative matters, be conducted through counsel for the debtor-in-possession.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Attorney for Debtor-in-Possession

EXHIBIT F

## U.S. Trustee Basic Monthly Operating Report

Case Name: \_\_\_\_\_

Date Filed: \_\_\_\_\_

Case Number: \_\_\_\_\_

SIC Code: \_\_\_\_\_

Month (or portion) covered by this report: \_\_\_\_\_

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THIS U.S. TRUSTEE BASIC MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS ON BEHALF OF THE CHAPTER 11 DEBTOR AND, TO THE BEST OF MY KNOWLEDGE, THIS REPORT AND RELATED DOCUMENTS ARE TRUE, CORRECT AND COMPLETE.

\_\_\_\_\_  
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

\_\_\_\_\_  
DATE REPORT SIGNED

\_\_\_\_\_  
PRINTED NAME OF RESPONSIBLE PARTY AND POSITION WITH DEBTOR

The debtor is required to provide financial reports prepared by or for the debtor in addition to the information required by this form. The U.S. Trustee may permit the debtor to eliminate duplicative information. No such permission is valid unless in writing.

### QUESTIONNAIRE:

	YES	NO
1. IS THE BUSINESS STILL OPERATING?	G	G
2. DID YOU SELL ANY ASSETS OTHER THAN INVENTORY THIS MONTH?	G	G
3. HAVE YOU PAID ANY BILLS YOU OWED BEFORE YOU FILED BANKRUPTCY?	G	G
4. DID YOU PAY ANYTHING TO YOUR ATTORNEY OR OTHER PROFESSIONALS THIS MONTH?	G	G
5. DID YOU PAY ALL YOUR BILLS ON TIME THIS MONTH?	G	G
6. DID YOU PAY YOUR EMPLOYEES ON TIME?	G	G
7. HAVE YOU FILED ALL OF YOUR RETURNS AND PAID ALL OF YOUR TAXES THIS MONTH?	G	G
8. DID YOU PAY ALL OF YOUR INSURANCE PREMIUMS THIS MONTH?	G	G
9. DID ANY INSURANCE COMPANY CANCEL YOUR POLICY THIS MONTH?	G	G
10. HAVE YOU BORROWED MONEY FROM ANYONE THIS MONTH?	G	G
11. DO YOU HAVE ANY BANK ACCOUNTS OPEN OTHER THAN THE DIP ACCOUNT?	G	G
12. DID YOU HAVE ANY UNUSUAL OR SIGNIFICANT UNANTICIPATED EXPENSES THIS MONTH?	G	G

	Yes	No
13. DID YOU DEPOSIT ALL MONEY FOR YOUR BUSINESS INTO THE DIP ACCOUNT THIS MONTH?	G	G
14. DID THE BUSINESS SELL ANY GOODS OR PROVIDE SERVICES TO ANY BUSINESS RELATED TO THE DIP IN ANY WAY?	G	G
15. DO YOU PLAN TO CONTINUE TO OPERATE THE BUSINESS NEXT MONTH?	G	G
16. ARE YOU CURRENT ON YOUR QUARTERLY FEE PAYMENT TO THE UST?	G	G

#### TAXES

DO YOU HAVE ANY PAST DUE TAX RETURNS OR PAST DUE POST-PETITION TAX OBLIGATIONS? G G

IF YES, PLEASE PROVIDE A WRITTEN EXPLANATION INCLUDING WHEN SUCH RETURNS WILL BE FILED, OR WHEN SUCH PAYMENTS WILL BE MADE AND THE SOURCE OF THE FUNDS FOR THE PAYMENT.

*(Exhibit A)*

#### INCOME

PLEASE SEPARATELY LIST ALL OF THE INCOME YOU RECEIVED FOR THE MONTH. THE LIST SHOULD INCLUDE ALL INCOME FROM CASH AND CREDIT TRANSACTIONS. [If you use an automated accounting system, please attach a copy of the Income Statement and Balance Sheet.]

**TOTAL INCOME** \_\_\_\_\_

*(Exhibit B)*

#### EXPENSES

PLEASE SEPARATELY LIST ALL EXPENSES PAID BY CASH OR BY CHECK FROM YOUR BANK ACCOUNTS PAID THIS MONTH. INCLUDE THE DATE PAID, WHO WAS PAID THE MONEY, THE PURPOSE AND THE AMOUNT. [If you use an automated accounting system, please attach a copy of the Disbursements Journal, otherwise attach a copy of the check register. ]

**TOTAL EXPENSES** \_\_\_\_\_

*(Exhibit C)*

#### CASH PROFIT

INCOME FOR THE MONTH (TOTAL FROM EXHIBIT B) \_\_\_\_\_

EXPENSES FOR THE MONTH (TOTAL FROM EXHIBIT C) \_\_\_\_\_

(Subtract The Total from Exhibit C from the Total of Exhibit B)

**CASH PROFIT FOR THE MONTH** \_\_\_\_\_



### UNPAID BILLS

PLEASE ATTACH A LIST OF ALL DEBTS (INCLUDING TAXES) WHICH YOU HAVE INCURRED SINCE THE DATE YOU FILED BANKRUPTCY BUT HAVE NOT PAID. THE LIST MUST INCLUDE THE DATE THE DEBT WAS INCURRED, WHO IS OWED THE MONEY, THE PURPOSE OF THE DEBT AND WHEN THE DEBT IS DUE.

TOTAL PAYABLES \_\_\_\_\_

(Exhibit D)

### MONEY OWED TO YOU

PLEASE ATTACH A LIST OF ALL AMOUNTS OWED TO YOU BY YOUR CUSTOMERS FOR WORK YOU HAVE DONE OR THE MERCHANDISE YOU HAVE SOLD. YOU SHOULD INCLUDE WHO OWES YOU MONEY, HOW MUCH IS OWED AND WHEN IS PAYMENT DUE.

TOTAL RECEIVABLES \_\_\_\_\_

(EXHIBIT E)

### BANKING INFORMATION

PLEASE ATTACH A COPY OF YOUR LATEST BANK STATEMENT FOR EVERY ACCOUNT YOU HAVE AS OF THE DATE OF THIS FINANCIAL REPORT.

### EMPLOYEES

NUMBER OF EMPLOYEES WHEN THE CASE WAS FILED? \_\_\_\_\_

NUMBER OF EMPLOYEES AS OF THE DATE OF THIS MONTHLY REPORT? \_\_\_\_\_

### PROFESSIONAL FEES

TOTAL PROFESSIONAL FEES APPROVED BY THE COURT DURING THIS REPORTING PERIOD? \_\_\_\_\_

TOTAL PROFESSIONAL FEES APPROVED BY THE COURT SINCE THE FILING OF THE CASE? \_\_\_\_\_

TOTAL PROFESSIONAL FEES INCURRED BY OR ON BEHALF OF THE DEBTOR DURING THIS REPORTING PERIOD? \_\_\_\_\_

TOTAL PROFESSIONAL FEES INCURRED BY OR ON BEHALF OF THE DEBTOR SINCE THE FILING OF THE CASE? \_\_\_\_\_

PROFESSIONAL FEES INCURRED BY OR ON BEHALF OF THE DEBTOR **RELATED TO BANKRUPTCY** DURING THIS REPORTING PERIOD? \_\_\_\_\_

PROFESSIONAL FEES INCURRED BY OR ON BEHALF OF THE DEBTOR **RELATED TO BANKRUPTCY** SINCE THE FILING OF THE CASE? \_\_\_\_\_

## PROJECTIONS

COMPARE YOUR ACTUAL INCOME, EXPENSES AND THE CASH PROFIT TO THE PROJECTIONS FOR THE FIRST 180-DAYS OF YOUR CASE PROVIDED AT THE INITIAL DEBTOR INTERVIEW.

PROJECTED INCOME FOR THE MONTH:

\_\_\_\_\_

ACTUAL INCOME FOR THE MONTH (EXHIBIT B):

\_\_\_\_\_

DIFFERENCE BETWEEN PROJECTED AND ACTUAL INCOME:

\_\_\_\_\_

PROJECTED EXPENSES FOR THE MONTH:

\_\_\_\_\_

TOTAL ACTUAL EXPENSES FOR THE MONTH (EXHIBIT C):

\_\_\_\_\_

DIFFERENCE BETWEEN PROJECTED AND ACTUAL EXPENSES:

\_\_\_\_\_

PROJECTED CASH PROFIT FOR THE MONTH:

\_\_\_\_\_

ACTUAL CASH PROFIT FOR THE MONTH  
(TOTAL FROM EXHIBIT B MINUS TOTAL FROM EXHIBIT C)

\_\_\_\_\_

DIFFERENCE BETWEEN PROJECTED AND ACTUAL CASH PROFIT:

\_\_\_\_\_

**[If actual cash profit was 90% or less of projected cash profit,  
please attach a detailed written explanation.]**

## EXHIBIT G